



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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February 15, 2002

Mike Glasson, Environmental Coordinator  
West Ridge Resources, Inc.  
P.O. Box 902  
Price, Utah 84501

Re: Decision Document and Revised Permit for Whitmore Canyon Extension, West Ridge Resources, Inc., West Ridge Mine, C/007/041-PM01H, Outgoing File

Dear Mr. Glasson:

The Division has processed the Whitmore Canyon Extension to the West Ridge Mine, including all materials submitted as of this date, and has determined the application to be complete and accurate for issuance of a revised permit. The Decision Document and permit are enclosed. Please note the special conditions in Attachment A since they are critical to your ability to mine coal. Before conducting coal mining and reclamation operations, you will need to obtain Federal Mine Plan Approval from the Secretary of the Interior. The Division reserves the right to amend or rescind any requirements of the permit to conform to any terms or conditions imposed by the Secretary in the approval of the mining plan.

Please have both copies of the permit signed by an authorized representative and return one to the Division. Thank you for your cooperation during the permitting process. If you have any questions, please call me.

Sincerely,

Lowell P. Braxton  
Director

sm  
cc;

Larry Kline, OSM  
Richard Manus, BLM w/o  
Henry Maddux, USFWS w/o  
Mark Page, Water Rights w/o  
Dave Ariotti, DEQ w/o  
Derris Jones, DWR w/o  
Max Evans, History w/o  
Kevin Carter, TLA w/o  
Price Field Office

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**UTAH DIVISION OF OIL, GAS AND MINING  
STATE DECISION DOCUMENT AND  
TECHNICAL ANALYSIS**

West Ridge Resources, Inc.  
Whitmore Canyon Extension  
West Ridge Mine  
**C/007/041**  
Carbon County, Utah

**February 15, 2002**

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- \* Administrative Overview
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- \* Cumulative Hydrologic Impact Assessment
- \* Decision Record and Finding of No Significant Impact for Whitmore Canyon Coal Tract  
(October 25, 2001)
- \* Determination of Completeness
- \* Affidavit of Publication
- \* AVS Recommendation (February 4, 2002)
- \* Letters of Concurrence & Consultation
  - USFWS, letter dated February 13, 2002
  - SHPO, letter dated February 7, 2002
  - BLM, R2P2 recommendation dated February 1, 2002

## **ADMINISTRATIVE OVERVIEW**

West Ridge Resources, Inc.  
Whitmore Canyon Extension  
West Ridge Mine  
C/007/041  
Carbon County, Utah

**February 15, 2002**

### **PROPOSAL:**

West Ridge Resources, Inc. (Andalex Resources, Inc. and Intermountain Power Agency) proposes to add the Whitmore Canyon lease to the West Ridge Mine. Mining in the Whitmore Canyon lease was contemplated in the original permit application but could not occur until the lease was acquired and a permit issued. This lease will add 1646.34 acres to the existing mine and will add several years to the life of the mine. There are no surface facilities or disturbances planned for the Whitmore Canyon Extension area. The lease will be accessed via the underground works and mining will be conducted using longwall methods. With the addition of the Whitmore Canyon Lease the permit area will total 4307.63 acres.

Mining will occur in the Lower Sunnyside coal seam. Continuous miners will be used mainly for mine development to support the longwall. It is anticipated that the mine will produce approximately 3 million tons of coal per year. Based on the mine plan developed for the "stand-alone" lease area, the recoverable reserve for leases SL 068754 and UTU 78562 is estimated at 21,500,000 tons. However, if these leases can be mined as part of a future LMU which includes additional state and private coal reserves the recoverable reserve is estimated at 35,400,000 tons. The total future recoverable reserves could be as much as 50 million tons depending on the ability to mine under deeper cover.

### **BACKGROUND:**

The land surface of the permit area consists of rugged, southwest-facing cliffs which are deeply dissected by steep ephemeral drainages. Pre-mining land use of the West Ridge mine area includes grazing, wildlife habitat, coal mining and recreational activities such as hunting. No agricultural activities have been conducted in or around the proposed permit area.

Previous mining in the area has consisted primarily of small exploration type projects. In the mid-1950's, the road along the bottom of C Canyon was constructed to a drill site located in the right fork. The road was improved again in 1985 to facilitate drilling equipment for a water monitoring drill hole site in the right fork. Another road leads up the left fork to the coal outcrop where the coal seam was exposed and bulk coal samples were collected for testing purposes. Mining has also occurred underground within the lease from the Sunnyside No. 2 mine. During 1959 and 1960 Kaiser Coal mined a two entry exploration section northwestward into the center of the coal lease (SL-068754), for a total distance of 11,000 feet along the strike of the Lower Sunnyside seam. A section was developed off from this main entry in which mining proceeded in an up-dip direction to the west for approximately 2000 feet before breaking out in B Canyon. This breakout was utilized as an intake air portal until 1991 when the portal was sealed and

backfilled. In the early 1980's Kaiser submitted an application to permit the B Canyon area but failed to pursue the application. BP America Inc. acquired the lease and initiated permitting discussions with the Division, but after starting a water monitoring program for the area, sold the lease to West Ridge Resources who then pursued the permit.

A permit was issued for the West Ridge mine on April 1, 1999. The original permit area encompassed approximately 2660 acres of which 29 acres were disturbed for the surface facilities area. In addition to the mine site, a substitute topsoil borrow area (9.6 acres) is permitted as backup soil material for reclamation at the proposed mine site. This site is located approximately 1½ miles west of the mine site and would only be used to supplement existing soil resources at the mine site if needed.

The applicant is approved to use an "experimental practice" at this mine site which involves leaving soil resources in-place during the mining operation rather than salvaging and stockpiling them for later reclamation use. Methods have been proposed to protect the soil in-place and at the conclusion of mining using the in-situ soils to accomplish reclamation.

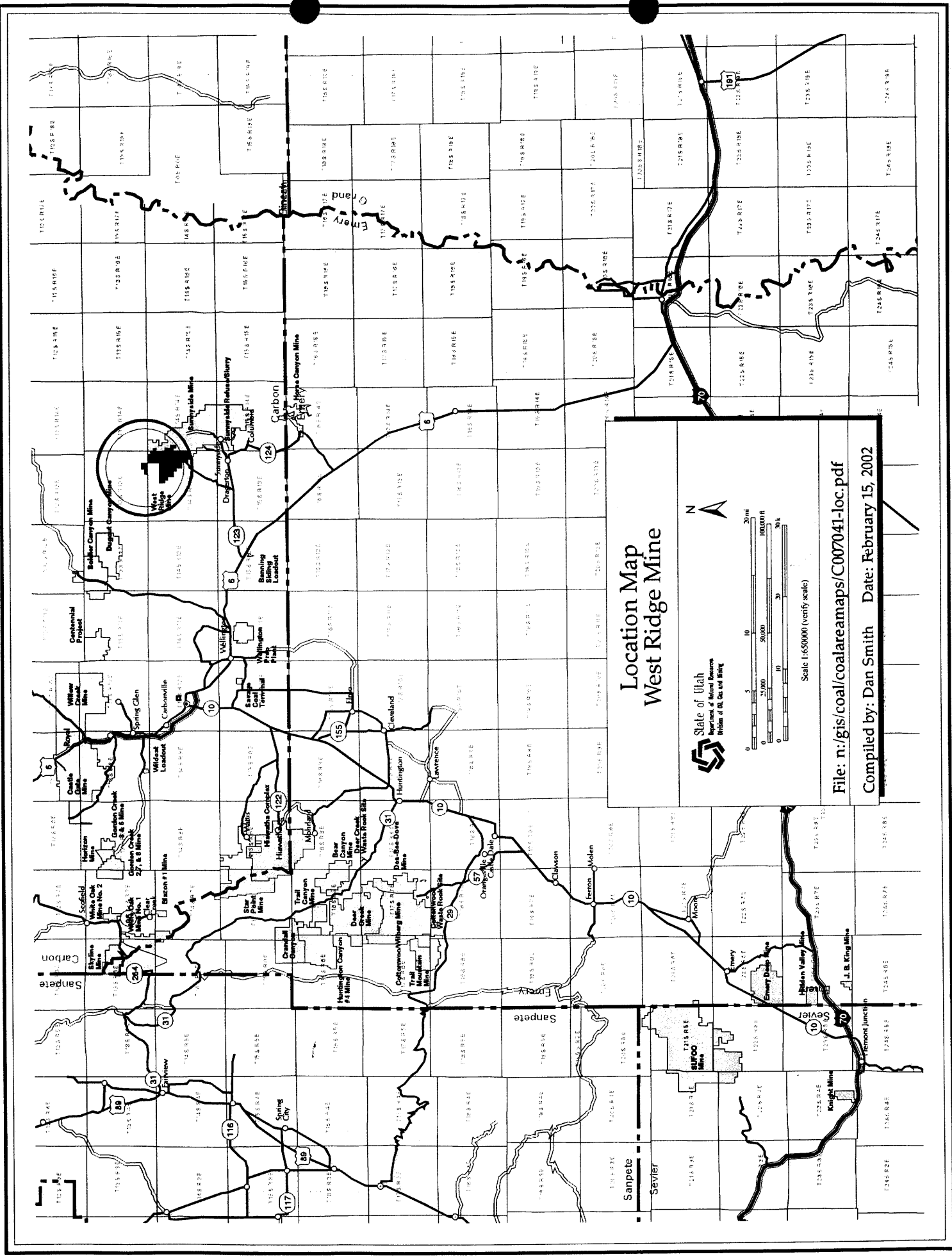
#### **ANALYSIS:**

The Division of Oil Gas and Mining has conducted an Administrative and Technical Analysis of the proposed mine Permit Application Package and has produced a written TA. All appropriate State and Federal agencies have been consulted regarding this proposal. It has been determined that the Applicant has the legal right to enter and conduct mining operations in the proposed permit area through acquired leases. The probable hydrologic consequences of the action have been analyzed and a Cumulative Hydrologic Impact Assessment (CHIA) has been prepared. All requirements for public participation have been satisfied. The application meets the requirements of the Utah Coal Regulatory Program.

#### **RECOMMENDATION:**

This recommendation is based on the complete permit application package (PAP), the Technical Analysis (TA) conducted by the Division, the Cumulative Hydrologic Impact Assessment CHIA also prepared by the Division, and the administrative record. West Ridge Resources, Inc. LLC has demonstrated that mining within the permit boundary can be done in conformance with the Surface Mining Control and Reclamation Act, and the corresponding Utah Act and performance standards. The 510 (c) report on the Applicant Violator System for this mine has an "issue" recommendation.

It is recommended that approval be given for the Whitmore Canyon Extension to the West Ridge Mine with conditions as outlined in the Technical Analysis and summarized as Attachment A to the Permit.



### Location Map West Ridge Mine

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining

Scale 1:650,000 (verify scale)

0 5 10 20 mi  
0 10 20 30 40 50 60 70 80 90 100 miles

File: n:/gis/coal/coaleareamaps/C007041-loc.pdf

Compiled by: Dan Smith    Date: February 15, 2002

## PERMITTING CHRONOLOGY

West Ridge Resources, Inc.  
Whitmore Canyon Extension  
West Ridge Mine  
C/007/041  
Carbon County, Utah

**February 15, 2002**

October 24, 2001	West Ridge Resources, Inc. submits the permit application package for adding Federal Lease 75862 (Whitmore Tract to the West Ridge Mine.
December 12, 2001	The permit application was determined administratively complete. West Ridge Resources, Inc. is instructed to publish a Notice of Complete Application in the local newspaper and place a copy of the application in the county courthouse.
December 20, 2001	The Division sent letters to state, federal and local planning agencies notifying them of the complete permit application and soliciting their comments.
December 13, 18, 20, 2001 and January 1, 2002	This permitting action, intent to add the Whitmore Canyon Tract to the West Ridge Mine, is published in the <u>Sun Advocate</u> , for four consecutive weeks.
January 17, 2002	Division completes a technical review of the application and sends a draft Technical Analysis to the applicant identifying deficiencies that need to be corrected.
February 4, 2002	AVS check completed with issue recommendation
February 6, 2002	Response to the January 17, 2002 Technical Analysis is received from West Ridge Resources, Inc
February 7, 2002	SHPO concurs with the report's recommendation that <u>No Historic Properties</u> will be impacted with the development of the West Ridge Mine.
February 12, 2002	TA and CHIA completed.
February 15, 2002	Decision Document completed and Permit issued.

### MINE PLAN INFORMATION

Mine Name: West Ridge Mine State ID: C/007/041  
Permittee: West Ridge Resources, Inc. County: Carbon  
Contact Person(s): Mike Glasson Telephone: (435) 637-5385  
Position: Environmental Coordinator  
Action: New Lease added to West Ridge Mine Mining Method: Longwall

#### Existing Permit Area Legal Description:

T 14 S. R 13 E;

Section 10: NE1/4, N1/2SE1/4, E1/2NW1/4, SE1/4SE1/4;  
Section 11: All  
Section 12: S1/2SW1/4, NW1/4SW1/4;  
Section 13: NW1/4, S1/2, S1/2NE1/4, NW1/4NE1/4;  
Section 14: E1/2, N1/2NW1/4, SE1/4NW1/4 ;  
Section 15: NE1/4NE1/4, portion of NW1/4SE1/4NE1/4;  
Section 16: NE1/4SE1/4 (9.6 acre portion)  
Section 21: Portion of the NE1/4NE1/4  
Section 24: N1/2SE1/4, N1/2, NE1/4SW1/4

#### Proposed Additional Permit Area Description:

T13 S. R 13 E.

Section 35: SE1/4, S1/2SW1/4

T 14 S. R 13 E.

Section 1: Lots 2-7, SW1/4NE1/4, S1/2NW1/4, SW1/4, W1/2SE1/4  
Section 12: Lots 1-4, S1/2N1/2, NE1/4SW1/4, SE1/4  
Section 13: NE1/4NE1/4

T 14 S. R 14 E.

Section 6: Lot 6  
Section 7: Lots 3 & 4  
Section 18: Lot 1, E1/2NW1/4

#### Federal Leases:

SL-068754-U-01215 2650.67 acres

T 14 S. R 13 E;

Section 10: NE1/4, N1/2SE1/4, E1/2NW1/4, SE1/4SE1/4;  
Section 11: All  
Section 12: S1/2SW1/4, NW1/4SW1/4;  
Section 13: NW1/4, S1/2, S1/2NE1/4, NW1/4NE1/4;

Section 14: E1/4, N1/2NW1/4, SE1/4NW1/4 ;  
 Section 15: NE1/NE1/4;  
 Section 24: N1/2SE1/4, N1/2, NE1/4SW1/4

UTU-78562 1646.34 acres

T13 S. R 13 E.

Section 35: SE1/4, S1/2SW1/4

T 14 S. R 13 E.

Section 1: Lots 2-7, SW1/4NE1/4, S1/2NW1/4, SW1/4, W1/2SE1/4

Section 12: Lots 1-4, S1/2N1/2, NE1/4SW1/4, SE1/4

Section 13: NE1/4NE1/4

T 14 S. R 14 E.

Section 6: Lot 6

Section 7: Lots 3 & 4

Section 18: Lot 1, E1/2NW1/4

Other Leases (identify): State Surface Special Use Lease

Description(s): T 14 S. R 13 E; Section 16: NE1/4SE1/4 (9.6 acre portion)

**Ownership Data:**

<u>Surface Resources (Acres):</u>	<u>Existing Permit Area</u>	<u>Proposed New Permit Area</u>	<u>Total Permit Area</u>
Federal	<u>2531.69</u>	<u>551.69</u>	<u>3083.38</u>
State	<u>9.6</u>		<u>9.6</u>
Private	<u>120</u>	<u>1094.65</u>	<u>1214.65</u>
Other - County			
TOTAL	<u>2661.29</u>	<u>1646.34</u>	<u>4307.63</u>

**Coal Ownership (acres):**

<u>Coal Resources (Acres):</u>	<u>Existing Lease Area</u>	<u>Proposed New Lease Area</u>	<u>Total Lease Area</u>
Federal	<u>2650.67</u>	<u>1646.34</u>	<u>4297.01</u>
State			
Private			
Other - County			
TOTAL	<u>2650.67</u>	<u>1646.34</u>	<u>4297.01</u>



<u>Coal Resource Data</u> <u>(Millions Tons)</u>	<u>Total</u> <u>Reserves (Tons)</u>	<u>Total Recoverable</u> <u>Reserves (Tons)</u>	<u>Total Recoverable</u> <u>Reserves (Tons)</u>
Federal	<u>20,000,000</u>	<u>15,000,000</u>	<u>35,000,000</u>
State	<u>                    </u>	<u>                    </u>	<u>                    </u>
Private	<u>                    </u>	<u>                    </u>	<u>                    </u>
Other - County	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL (Permitted)	<u>20,000,000</u>	<u>15,000,000</u>	<u>35,000,000</u>
Total Percent Recoverable			<u>60%</u>

<u>Recoverable</u> <u>Reserve Data</u>	<u>Name</u>	<u>Thickness</u>	<u>Map</u>	<u>Depth</u>
Seam	<u>Lower Sunnyside</u>	<u>6' - 10' (7.75')</u>	<u>#5A</u>	<u>1500-2500'</u>
Seam	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Seam	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Seam	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Seam	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Mine Life: 1999 - 2017 \*  
 Average Annual Production: 3,000,000 tons Percent Recovery: 60%  
 Date Projected Annual Rate Reached: 2002  
 Date Production Begins: 1999 Date Production Ends: 2017 \*  
 Reserves Recoverable By: (1) Surface Mining: None  
 (2) Underground Mining: 20,000,000 -50,000,000 tons\*  
 Reserves Lost Through Management Decisions: Unknown  
 Coal Market: Domestic and Export

\*This assumes mine life extended through acquisition and permitting of adjacent state and federal coal reserves.

## **FINDINGS**

West Ridge Resources, Inc.  
Whitmore Canyon Extension  
West Ridge Mine  
C/007/041  
Carbon County, Utah

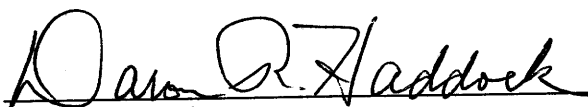
**February 15, 2002**

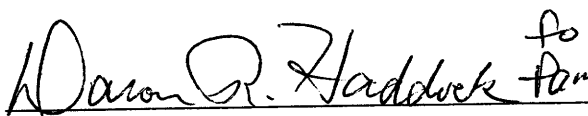
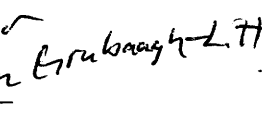
1. The permit application for the extraction of coal from the Whitmore Canyon Lease at the West Ridge Mine is accurate and complete and all requirements of the Surface Mining Control and Reclamation Act, and the approved Utah State Program (the "Act") are in compliance. See Technical Analysis dated February 12, 2002 (R645-300-133.100)
2. The applicant proposes acceptable practices for the reclamation of disturbed lands. The Division has determined that reclamation, as required by the Act can be feasibly accomplished following the approved plan with the attached permit conditions. No new surface disturbance will occur with the Whitmore Canyon Extension. (R645-300-133.710)
3. An assessment of the probable cumulative impacts of all anticipated coal mining and reclamation activities in the general area on the hydrologic balance has been conducted by the Division and no significant impacts were identified. See CHIA dated February 12, 2002. The Mining and Reclamation Plan (MRP) proposed under the revised application has been designed to prevent damage to the hydrologic balance in the permit area and in associated off-site area (R645-300-133.400 and UCA 40-10-11 (2)(c)).
4. The proposed lands to be included within the permit area are:
  - a. Not included within an area designated unsuitable for underground coal mining operation (R645-300-133.220);
  - b. not within an area under study for designated land unsuitable for underground coal mining operations (R645-300-133.210);
  - c. not on any lands subject to the prohibitions or limitation of 30 CFR 761.11 {a} (national parks, etc), 761.11 {f} (public buildings, etc.) and 761.11 {g} (cemeteries);
  - d. not within 100 feet of a public road except at the location where the public road accesses the property(R645-300-133.220); and
  - e. not within 300 feet of any occupied dwelling (R645-300-133.220).
5. The operation would not affect the continued existence of any threatened or endangered species or result in the destruction or adverse modification of their critical habitats as determined under the Endangered Species Act of 1973. A condition is being added to the


permit to survey for Mexican Spotted Owl in accordance with the Fish and Wildlife Service requirements. See Technical Analysis dated February 12, 2002 and letter from U. S. Fish and Wildlife Services dated February 13, 2002 (16 USC 1531 et seq.) (R645-300-133.500).

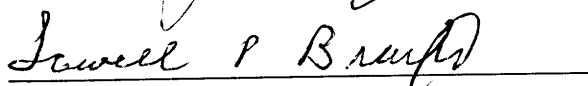
6. The Division's issuance of a permit is in compliance with the National Historic Preservation Act and implementing regulations (36 CFR 800). See Technical Analysis dated February 12, 2002. See letter from State Historic Preservation Office, dated February 7, 2002. (R645-300-133.600)
7. The applicant has the legal right to enter and complete mining activities in the permit area through federal coal leases issued by the Bureau of Land Management, and the School and Institutional Trust Lands Administration (SITLA). (See verification of leases in Appendix 1-4, 1-9, and 1-10 of PAP. (R645-300-133.300)
8. A 510 (c) report has been run on the Applicant Violator System (AVS), which shows that: prior violations of applicable laws and regulations have been corrected; neither West Ridge Resources, Inc. LLC or any affiliated company, are delinquent in payment of fees for the Abandoned Mine Reclamation Fund; and the applicant does not control and has not controlled mining operations with demonstrated pattern of willful violations of the Act of such nature, duration, and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of the Act (A 510 (c) report was run on February 4, 2002, see memo to file dated February 4, 2002). (R645-300-133.730)
9. Underground mining operations to be performed under the permit will not be inconsistent with other operations anticipated to be performed in areas adjacent to the proposed permit area.
10. The applicant has posted a surety bond for the West Ridge Mine in the amount of \$2,117,000 (Surety Number 21-60-38 dated March 19, 1999) (R645-300-134).
11. No lands designated as prime farmlands or alluvial valley floors occur on the permit area. See February 12, 2002 Technical Analysis (R645-302-313.100 and R645-302-321.100)
12. The proposed postmining land-use of the disturbed area is the same as the pre-mining land use and has been approved by the Division and the surface land management agency, the Bureau of Land Management.
13. The Division has made all specific approvals required by the Act, the Cooperative Agreement, and the Federal Lands Program.
14. All procedures for public participation required by the Act, and the approved Utah State Program are in compliance. The public advertisement was published on December 13, 18, 20, 25, 2001 and January 1, 2002 in the Sun Advocate. (R645-300-120)

15. No existing structures will be used in conjunction with this mine. This is an underground extension of an existing mine with no new surface facilities being proposed (R645-300-133.720).

  
Permit Supervisor

 for   
Permit Supervisor

  
Associate Director of Mining

  
Director